

UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF MARYLAND

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ELAINE CHAO,  
SECRETARY OF LABOR,  
UNITED STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

SAI MED HEALTH PLAN, L.L.C.;  
SAMUEL KREITER; and MARTIN  
SONNENBERG,

Defendants.  
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FILED ENTERED  
LOCKED RECEIVED

JUN - 5 2001

AT WASHINGTON  
CLERK U.S. DISTRICT COURT  
DISTRICT OF MARYLAND DEPUTY

CIVIL ACTION

NO: DKC 01 CV 325

ORDER

WHEREAS, the above-captioned action has been filed pursuant to the Secretary of Labor's authority under the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. § 1001 *et seq.*, alleging the financial collapse of SAI MED Health Plan, L.L.C. ("SAI MED"), the Plan Administrator for over two hundred self funded employee welfare benefit plans since 1998 ("SAI MED Health Plans" or "Plans"); and

WHEREAS, the Court removed defendants as fiduciaries to the Plans and appointed an Independent Fiduciary to administer the Plans; and

WHEREAS, it appears to the satisfaction of the Court that the Plans' liabilities are substantially greater than their assets, and that the Independent Fiduciary is now in the process of marshaling their assets; and

WHEREAS, the Court deems it necessary to avoid, to the extent possible, any

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unnecessary drain of Plans' assets that would result from litigation involving the Plans, their participants and beneficiaries, or SAI MED, its officers, directors and employees, by reason of SAI MED's insolvency; and

WHEREAS, the Court is vested with the authority to stay and enjoin actions in aid of its jurisdiction over this action, under the All Writs Act, 29 U.S.C. § 1651, including collection actions filed by health care providers against the Plans' participants and beneficiaries or SAI MED, its officers, directors and employees, by reason of the insolvency of the Plans and SAI MED, *see Cutler v. The 65 Security Plan*, 831 F. Supp. 1008 (E.D. N.Y. 1993); *In re Consolidated Welfare Fund ERISA Litigation*, 798 F. Supp. 125 (S.D. N.Y. 1992);

IT IS HEREBY ORDERED that:

1. All state and other federal court actions against the SAI MED Health Plans, their participants and beneficiaries, and SAI MED, its officers, directors and employees, including defendants, for payment of monies for which the Plans are responsible, whether filed by or on behalf of health care providers, collection agencies, or others, are hereby stayed and enjoined pending the marshaling of all assets of the Plans and the final disposition of this action, or until further order of this Court. A list of the employers that adopted a welfare plan administered by SAI MED and which may be affected by this Order is attached hereto.

2. All health care providers, collections agencies, Plan participants or beneficiaries, or other persons having actual knowledge of this Order, are enjoined from filing, prosecuting or enforcing any state or other federal court action against the Plans, their participants or beneficiaries, or SAI MED, its officers, directors and employees, including defendants, for payment of monies which constitute liabilities of or allowable charges against the Plans,

including, but not limited to, related claims for attorneys' fees, costs and other demands, pending the final disposition of this action or until further order of this Court.

3. All known creditors of the Plans or collection or credit reporting agencies and their agents are prohibited from making or continuing to make any adverse credit reports regarding participants or beneficiaries of the Plans for nonpayment of monies which constitute allowable charges against the Plans.

4. The Independent Fiduciary shall serve a copy of this Order by United States mail upon all persons and entities of which he is aware who are parties to any litigation stayed or enjoined by this Order.

5. The Independent Fiduciary shall serve a copy of this Order by United States mail upon all known creditors of the Plans and/or the Plans' participants and beneficiaries and/or SAI MED, its officers, directors and employees, including defendants, and any collection or credit reporting agencies and their agents, who may be affected by this Order.

6. The Independent Fiduciary shall keep a record, available for review by the Court, of the names and addresses of all individuals and entities whom he has served pursuant to Paragraphs 4 and 5 of this Order.

7. Excluded from this Order are any actions, whether legal, equitable or administrative in nature, by the Secretary of Labor or any other federal governmental authority and any state or state agency.

8. Any action filed after the filing of this Order is also be stayed pursuant to the All Writs Act, 28 U.S.C. § 1651.

9. Any objections to this Order by creditors of SAI MED Health Plan, LLC, its officers,

directors and employees, the Plans, their participants and beneficiaries, or any collection or credit reporting agencies and their agents, shall be filed with the Court and served upon the parties herein within five court days of receipt of this Order.

Date: June 5, 2001

Albion Z. Charnow  
United States District Court Judge

A Woman's Fitness Company  
Abramson Labus Van De Velde  
AccessSecurity  
Acme Wood Preserving, Inc.  
Airship Operations, Inc.  
Albert Motors, Inc.  
All Tools, Inc.  
Alpha Welding & Fabricating  
Alternatives Unlimited  
Amato Industries, Inc.  
America House Four, Inc.  
American Technologies Sciences, Inc.  
American Professional Chimney  
Americare Health Cooperative  
ANK International, Inc.  
Annunciation Academy  
AR Electrical Solutions  
Arc of Washington County, Inc.  
Arnold Parreco & Sons, Inc.  
Ashe Services for the Aging, Inc.  
Association of Public Health Laboratories  
Auto Parts Associates, Inc.  
Awning Fabric-Caters, Inc.  
B.W. Painter, Inc.  
Barbaque Country Jamboree Centerville  
Battlefield Homes, Inc.  
Becker Benefit Group  
Beckley Dermatology, Inc.  
Bell Furniture Industries, Inc.  
Benicor Associates, Inc.  
Best Copy & Printing, Inc.  
Black Knight Country Club  
Blue Ridge Management Group, Inc.  
Boris Peters Associates  
Brooks Huff Tire & Auto Co.  
Bryn Mfg.  
Centennial Contractor Enterprises  
Centurion Technologies Group, Inc.  
Century Termite Pest Control  
Charles E. Smith Jewish Day School  
Checkmate  
Chesapeake Petroleum  
Chestertown Nursing & Rehabilitation  
Church of Christ Health  
Clearwater Farms  
Comm-Tronics, Inc.

Commercian Optical Mfg., Inc.  
Companion Animal Clinic of Gainesville  
Computer Distribution, Inc.  
Concert Seats, Inc.  
Concrete Supply Corporation  
Cornea Consultants, PC  
Creager Tire, Inc.  
Custom Cleaning Co.  
D&V Autobody  
Dans Company, Inc.  
Davro Ltd.  
Days End Farm Horse Rescue, Inc.  
DC Chartered Health Plan  
DCHM/Comfort Inn  
Deco Artwear, Inc. Capital Tees  
Deli Souoth Ltd.  
Digiweb, Inc.  
DLC Pizza, Inc.  
Dr. Alvani and Associates  
Dr. Jorge R. Rios, Inc.  
Druskin Realty  
Elite Tile & Marble  
Equity Plus Financial, LLC  
Exhibits Unlimited, Inc.  
Federal Document Clearing House, Inc.  
Fire Watch Services  
Four Seasons Home Improvement Co.  
Freed & Associates  
G.S.W./Subway  
Garfield Hts. License Bureau  
General Ship Repair Corp.  
Geo Data Services, Inc.  
Gerald G. Scott & Sons, Inc.  
Giles Surgical Clinic  
Goddard Chiropractic Center  
Griffins West Riordaros  
Grigg Design, Inc.  
Hagerstown Goodwill Industries, Inc.  
Hani Thariani, D.D.S.  
Happy Children Family Daycare  
Harbour Inn Convalescent Center  
Harley Davidson Inc.  
Hawthorne Village Condominiums  
Hodges Realty Co., Inc.  
Holy Family Academy  
Human Resources, Inc.

Imperial Bedding Company  
Informatics, Inc.  
Ino Tech, Inc.  
Integrated Automation Specialist  
Interlock Steelworkers, Inc.  
Irving Burton Associates, Inc.  
J.A.K., Inc./PIP Printing  
J.C. Construction  
Janitex Rug Service Corp.  
Jeffco Resources, Inc.  
Keller Truck  
Kerry's Kupboard  
Kevin P. Petka, DDS, P.C.  
Klimaski & Miller, P.C.  
L&L Development Inc./Sleep Inn  
Landmark Travel Services, Inc.  
Larry's Mower Repair, Inc.  
Latham & Watkins  
Leewood Nursing Home  
Liberty, Inc.  
Life Sciences Corporation  
Lifetime Benefits, LLC  
Logan Park-Mingo Manor  
Louis Maggione, M.D., Inc.  
Lyco, Inc.  
M. Hayes & Associates, L.L.C.  
M&M Painting  
Manassas Dental Center  
Manbir Takhar  
Mar-Bal, Inc.  
Marinko's Firehouse  
McGuire Realty & Associates  
Mead's Liquor, Inc.  
Meineke Discount Mufflers  
Merry Maid  
Mid-Atlantic Realty Management  
Mine Repair Specialist, Inc.  
Monroe County Commission  
Mouldagraph Corporation  
Mountaineer Park, Inc.  
N.C.I.A.  
National Wholesale Druggists Assoc.  
National Office Furniture, Inc.  
Nationstrust Mortgage Corp.  
NECOA Incorporated  
Newco Marketing, Inc.

Next Day Signs Express  
Nightwatch, Inc.  
NIS Communications & Computers  
Nova Mortgage Corporation  
Ob-Gyn Specialists, Inc.  
Occu-Health, Inc.  
Ohio Deputy Registrars Association  
Ohio Public Employees Health Plan  
Orthopaedic Specialists of Nevada  
P.T. O'Malley Lumber Co., Inc.  
Park Lane Foods, Inc.  
Park Avenue Consulting  
Pastores, Inc.  
PHP Health Care Corporation  
Pit Boys, Inc.  
Precision Mechanical Services  
Professional & Scientific Associates  
Profit & Loss, Inc.  
Progress Unlimited, Inc.  
Protech Associates, Inc.  
Ram Trehan  
Roane County Family Health Care, Inc.  
Rocklands Barbecue & Grilling Company  
Rockville Interiors  
Rod Miller, Inc.  
Ron D. Nisbet & Associates  
S & S  
SAI MED Health Plan  
Saq Associates, Inc.  
Satish Angra  
Security Safe & Lock Company, Inc.  
Select Floors  
Setzer's World of Camping, Inc.  
Shear Action  
Shepard-Patterson and Assoc., Inc.  
Shirdi Sai Florida Center, Inc.  
Silver Communications, Inc.  
Solon Four Seasons  
Southern Equipment X-Change  
Southern Sanitary Company, Inc.  
Southern Air Temp  
Sparrows Point Country Club  
Springfield Golf & Country Club  
Standard Carpet, Inc.  
Stanley Industries, Inc.  
Sterling Medical Corporation

**Strongsville Sunoco**  
**Studio 20**  
**Sulo Enterprises**  
**Syscom Services, Inc.**  
**T & T Pontiac, Inc.**  
**TeamNet International, Inc.**  
**Technology Training Consulting**  
**Technology Consulting Group**  
**Temple and Associates, Inc.**  
**The Bethesda Montessori School**  
**The Heart Center of N. VA, Ltd.**  
**The Phone Company**  
**The David J. Joseph Company**  
**The Farrow Group**  
**The Egg Store**  
**Thistle Foundry & Machine Company**  
**Thompson Hospitality**  
**Thornhill Superstore, Inc.**  
**Thrall's Piano & Violin Studio**  
**TJ Rock Enterprises, Inc.**  
**TMSI**  
**Touch of Color Services, Inc.**  
**Transit Management of Alexandria**  
**Traveling Home Care Inc.**  
**Tri-Com Computer Services, Inc.**  
**Tri-State Publishing, Inc.**  
**Tug River Health Association, Inc.**  
**Tysons Management Inc.**  
**Uniflair, Inc.**  
**Union Mortgage/Approved Funding**  
**Up & Up Health Services, Inc.**  
**Valley, Inc.**  
**Village Landscape & Irrigation, Inc.**  
**Virginia Semiconductor**  
**Vocational Services, Inc.**  
**Walter L. Phillips, Inc.**  
**Water Water Everywhere**  
**Welch Daily News**  
**White Flint Collision Center, Inc.**  
**William S. Fout, Inc.**  
**WV Citizens Conservation Corp.**  
**Youth for Understanding**  
**Z & Z Manufacturing Co. Inc.**  
**Zip Mailing Services, Inc.**  
**Zumot Real Estate Management**